Written Testimony of the Riverside County Transportation Commission (RCTC)

Respectfully submitted to the Subcommittee on Highways & Transit and the Subcommittee on Railroads, Pipelines & Hazardous Materials

"Beyond the Ports: A Regional Perspective on Goods Movement Challenges and Solutions from the Inland Empire"

Good morning Chairman DeFazio and Chairwoman Brown, thank you for visiting Southern California and for the opportunity to testify before your subcommittees.

Background

Riverside County, CA Profile

Riverside County is California's fourth most populous county and home to more than two million residents or roughly five and half percent of California's population. In recent years, Riverside County has been noted for exceptional growth. This growth took place in population, housing starts, and employment with all of these factors breaking previous records.

Along with significant growth have come significant environmental challenges requiring a significant commitment to mitigating growth-related impacts. Riverside County is facing crisis-level problems in terms of traffic congestion, air quality, water availability and the ability to provide needed public services. The challenge has been exacerbated with the recent economic crisis as many residents dream of owning a new home has turned nightmarish. The unemployment rate in Riverside County has reached 10 percent and notices of default and foreclosures impact more than 10 percent of the overall housing market.

Freight Impacts

Prior to the economic downturn, one area of economic growth that did fuel job growth was in the logistics industry. Located only 55 miles east of the Ports of Long Beach and Los Angeles, the Inland Empire and Riverside County have proven to be attractive locations for warehousing and distribution facilities. Riverside has proven especially attractive because the county is served by the main line for both the Burlington Northern Santa Fe and Union Pacific Railroads.

Another concern is truck traffic as Riverside County is home to Interstates 10 & 15 and State Routes 60, 71, 86S and 91. All of these corridors are significant truck routes which are also key route for local residents and commuters.

While the investment in this industry and the job growth that it provided is welcome, it once again points out the need for mitigation. Job and industry growth comes with a price that often impacts local residents who are faced with traffic delays at grade separations, worsening air quality and worsening noise.

Railroad Grade Separations

The impact of delays caused by freight trains traveling through Riverside County is rapidly becoming one of the area's most pressing transportation concerns. In 2003, 68 million tons of rail freight passed through Riverside County; less than five percent either originates or ends locally, resulting in enormous congestion, safety and air quality impacts for local residents. The cumulative impact of freight rail growth makes quality of life issues a top priority for communities that are faced with traffic delays, disruptions to public safety and emergency responses and an increase in harmful emissions.

For Riverside County, the most important mitigation need is the construction of railroad grade separations which will provide enhanced safety, improved public safety response times, a reduction in harmful emissions by eliminate idling at crossings, and noise reductions. Given the preponderance of rail facilities in the county, there are 20 priority crossings within the county. The Riverside County Transportation Commission has identified funding for as many as 12 of the crossings, however there remains a funding shortfall of more than \$550 million.

The Challenges & Solutions

At-grade rail-highway crossings

Funding and constructing railroad grade separations will provide needed mitigation for freight rail impacts and is a top priority for Riverside County. There are 61 at-grade rail crossings in Riverside County, many of which are located in busy residential and commercial areas. Hundreds of trains per day stifle local economic activity and create harmful air pollution near heavily populated areas. In 2006, the Riverside County Transportation Commission (RCTC) developed a funding strategy to serve as a blueprint for advancing many of these needed grade separation projects. The plan was updated in 2008 to reflect the progress which has taken place in the past two years. A handful of projects have recently begun construction and many more are in various stages of project development. Moreover, there has been welcome funding from the Proposition 1B bond measure which was approved by California voters in 2006 and has resulted in \$152.7 million being allocated to 12 railroad grade separations in Riverside County.

Coexistence of Freight and Passenger Rail

Freight rail growth has also impacted public transit service in Southern California. Specifically the impact has been to Metrolink, which is a service operated under a joint powers authority consisting of transportation agencies in five California counties. For

years, Metrolink schedules have been compromised by freight rail traffic. While that has proven to be inconvenient, the real and tragic impact of freight and passenger rail conflicts was seen in the tragic Metrolink crash with a Union Pacific freight train in Chatsworth. In 2008, Congress approved the Rail Safety Improvement Act of 2008 which addresses some of the long-term safety concerns of passenger and freight rail using the same tracks, but it should be an important goal of Congress, the private freight railroads and commuter rail operators to develop a system that includes the capacity to serve multiple interests. It is a top priority of the Southern California region to implement positive train control (PTC) by the federally mandated deadlines, as well as identify opportunities to double track those areas of the system where freight and passenger trains share just a single track.

The Solutions

RCTC Grade Separation Funding Strategy

As mentioned previously, funding and constructing railroad grade separations will provide needed mitigation for freight rail impacts and is a top priority for Riverside County. In 2006, the Riverside County Transportation Commission (RCTC) developed a funding strategy to serve as a blueprint for advancing many of these needed projects. The Commission undertook a funding strategy up-date in 2008 that reflects a number of changes and a great deal of progress which has taken place in the past two years. A handful of projects have recently begun construction and many more are in various stages of project development. Moreover, there has been welcome funding from Proposition 1B which was approved by voters in 2006 and has resulted in \$152.7 million being allocated to 12 railroad grade separations in Riverside County.

The impact of delays caused by freight trains traveling through Riverside County is rapidly becoming one of the area's most pressing transportation concerns. Grade separating the 20 highest priority projects in Riverside County will:

- Stop 277 tons of air pollutants and 544.3 tons of greenhouse gases from being emitted annually in the worst air basin in the nation in 2030 (see page 27 for public health effects);
- Eliminate projected doubling of gate crossing wait times of 74 hours, 36 minutes per day in 2030;
- Eliminate 33 potential accident sites in a 10 year period;
- Eliminate a projected increase in auto/truck traffic delay at crossings resulting from a 60% increase in rail traffic and 61% increase in vehicular traffic; and
- Connect the Alameda corridor and the Ports of Los Angeles and Long Beach to the transcontinental rail network creating a faster, more efficient method for distributing an estimated \$392.7 billion worth of trade by the year 2030.

While significant local progress has been made through RCTC's Grade Separation Funding Strategy, the federal government is needed as an important funding partner.

National Freight Trust Fund

Grade separation funding should be pursued in the next federal transportation authorization bill as well as annual federal appropriations bills. Authorization bills offer the opportunity to create new programs or fund existing programs at higher levels. Authorization legislation holds the potential to provide large sums of money towards projects such as Alameda Corridor East, similar to the Projects of National and Regional Significance funding from SAFETEA-LU. Goods movement is one of the key focuses of Congress in the next authorization bill, and RCTC will advocate with regional partners for programmatic language that funds grade separations at a level commensurate with the federal government's responsibility for facilitating interstate commerce and trade. The authorization bill should provide most of the funding gap identified in the 2008 Funding Strategy.

One mechanism to provide funding for this need will be through the creation of a National Freight Trust Fund. The creation of this kind of program will need a dedicated funding source that could be generated through an import/export fee on containers, growth in customs revenues or through an increase in the federal taxes on diesel fuel that would be dedicated to freight sources. Regardless of the funding source, RCTC would urge Congress to make the need financial and philosophical investment in an ongoing investment in freight infrastructure and mitigation to ensure quality of life concerns while creating needed jobs.

Congress has received several proposals worthy of further vetting on the issue of raising revenue for a national goods movement program. Legislation introduced in the 110th Congress by Riverside County's own Rep. Ken Calvert creates a fire-walled goods movement fee at all ports of entry that treat all modes equally. Rep. Laura Richardson, who ably represents Southern California on both of the subcommittees holding this hearing, has also introduced legislation on this topic. Rep. Adam Smith of Washington State has also put forward a concept for a new goods movement program. National organizations such as the Coalition for Americas Gateways and Trade Corridors have also developed detailed proposals on how Congress can craft a new national strategy for dealing with goods movement.

Southern California Unity

Given the location of two major lines and multiple freeway corridors, Riverside County's freight impacts are more acute than the rest of the nation, however much of Southern California shares Riverside's concerns. The transportation agencies in the region recently banded together to speak in a single voice when California officials looked to prioritize freight-related projects for the voter-approved Proposition 1B program. The freight component which was known as the Trade Corridor Improvement Fund (TCIF), separated the state into various trade corridors. The Southern California corridor consisting of public transportation agencies in Los Angeles, Orange, San Bernardino,

Ventura, Riverside and the ports themselves banded together with a slate of projects to compete for the lion's share of the TCIF funding. The issue of providing capacity and mitigation for goods-movement related transportation is felt by all of Southern California.

A significant project that requires federal funding is the multi-county corridor of railroad grade separations for what is known as the Alameda Corridor East. The Alameda Corridor East can be considered the downstream impact area of the original Alameda Corridor itself, which only extends from the ports to downtown L.A. It includes crossings in the San Gabriel Valley area of Los Angeles County, San Bernardino County, and grade crossings in Riverside County that are located in the communities of Corona, Riverside, Banning, the Coachella Valley as well as a number of highly populated unincorporated communities. The project was named specifically as a Project of National and Regional Significance (PNRS) in SAFETEA LU and received funding of \$155 million in the original legislation. While that funding was welcome and appreciated, it only begins to pay for the true cost of the project.

The overall concern is that since Southern California is home to the Ports of Long Beach and Los Angeles, which are our nation's largest ports, all of Southern California should be considered as part of the port complex. It is with this understanding that the transportation agencies in Southern California have banded together to seek federal and state funding. Moreover, much of these impacts have been created and exacerbated by federal trade policies, which makes a federal investment in these improvements more than appropriate.

Conclusion

RCTC applauds both Subcommittees' interest in the topic of freight-related transportation needs. Riverside County and Southern California are uniquely and acutely affected by goods movement issues. The Riverside County Transportation Commission, along with its transportation partners and communities throughout the area, urge that Congress make a significant and ongoing investment in addressing the need for added freight capacity, but also for needed mitigation. By addressing both needs, the nation can begin to address its economic needs while maintaining a commitment to local residents and the environment. The challenges we face in Riverside County are proof to Congress that we cannot continue to just push the bottleneck somewhere else. We need a national solution to solve local problems.

RCTC stands ready to work with Congress to reach these goals and appreciates the opportunity to participate in today's hearing.